

Treasury for redemption for the account of (inserting name and address of person to whom payment is to be made).'' Specific instructions for the issuance and delivery of the redemption check, signed by the owner or his authorized representative, must accompany the securities, unless included in the assignment. (Form PD 3905 may be used.) Payment of the principal will be made either:

(a) By check drawn on the United States Treasury to the order of the person entitled and mailed in accordance with the instructions received, or

(b) Upon appropriate request, by crediting the amount in a member bank's account with the Federal Reserve Bank of its District.

Securities presented for prerefunding or advance refunding should be assigned as provided in the prerefunding or advance refunding offer.

**§ 306.27 Redemption of bearer securities at maturity, upon prior call, or for advance refunding or prerefunding.**

All interest coupons due and payable on or before the date of maturity or date fixed in the call for redemption before maturity should be detached from coupon securities presented for redemption and should be collected separately in regular course. All coupons bearing dates subsequent to the date fixed in a call for redemption, or offer of prerefunding or advance refunding, should be left attached to the securities. If any such coupons are missing, the full face amount thereof will be deducted from the payment to be made upon redemption or the prerefunding or advance refunding adjustment unless satisfactory evidence of their destruction is submitted. Any amounts so deducted will be held in the Department to provide for adjustments or refunds in the event it should be determined that the missing coupons were subsequently presented or their destruction is later satisfactorily established. In the absence of other instructions, payment or bearer securities will be made by check drawn to the order of the person presenting and surrendering the securities and mailed to him at his address, as given in the advice accompanying the securities.

(Form PD 3905 may be used.) A Federal Reserve Bank, upon appropriate request, may make payment to a member bank from which bearer securities are received by crediting the amount of the proceeds of redemption to the member bank's account.

**§ 306.28 Optional redemption of Treasury bonds at par (before maturity or call redemption date) and application of the proceeds in payment of Federal estate taxes.**

(a) *General.* Treasury bonds to be redeemed at par for the purpose of applying the entire amount of principal and accrued interest to payment of the Federal estate tax on a decedent's estate<sup>5</sup> must be presented and surrendered to a Federal Reserve Bank or Branch or to the Bureau. They should be accompanied by Form PD 1782, fully completed and duly executed in accordance with the instructions on the form, and evidence as described therein. Redemption will be made at par plus accrued interest from the last preceding interest payment date to the date of redemption, except that if registered bonds are received by a Federal Reserve bank or branch or the Bureau within 1 month preceding an interest payment date for redemption before that date, a deduction will be made for interest from the date of redemption to the interest payment date, and a check for the full 6 months' interest will be paid in due course. The proceeds of redemption will be deposited to the credit of the Internal Revenue Service Center designated in Form PD 1782, and the representative of the estate will be notified of the deposit. A formal receipt may be obtained upon request addressed to the Center.

(b) *Conditions.* The bonds presented for redemption under this section must have:

<sup>5</sup>Certain issues of Treasury bonds are redeemable at par and accrued interest upon the death of the owner, at the option of the representative of, or if none, the persons entitled to, his estate, for the purpose of having the entire proceeds applied in payment of the Federal estate tax on the decedent's estate, in accordance with the terms of the offering circulars cited on the face of the bonds. A current list of eligible issues may be obtained from any Federal Reserve bank or branch or the Bureau of the Public Debt.